

## Message Text

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PAGE 01 STATE 187767  
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S E C R E T STATE 187767

EXDIS - MILITARY ADDRESSEES HANDLE AS SPECAT EXCLUSIVE

E.O. 11652: GDS

TAGS: MARR, RP

SUBJECT: BASE DISCUSSIONS: MARCOS COMMENTS ON INDUSTRI-  
AL AND COMMERCIAL PROJECTS

REFS: A. MANILA 9620, B. MANILA 12210

SECRET

SECRET

PAGE 02 STATE 187767

1. (C) PRESIDENT MARCOS' PROPOSAL TO USE BASE LANDS RE-  
TURNED TO THE PHILIPPINES FOR INDUSTRIAL AND COMMERCIAL  
PURPOSES MUST BE APPROACHED WITH CAUTION BECAUSE OF POS-  
SIBLE PROBLEMS IN MAINTAINING UNHAMPERED MILITARY OPERA-  
TIONS. HOWEVER, WITH CAREFUL HANDLING, MARCOS INQUIRY  
(REF A) REGARDING USE OF BASE LANDS, NOT REQUIRED BY USG,  
FOR INDUSTRIAL AND COMMERCIAL PURPOSES CAN SERVE TO BOLSTER

US POSITION IN SEVERAL IMPORTANT WAYS.

2. (C) OUR CONCERNS ARE: (A) POTENTIAL FOR CONFLICT WITH GOP OVER INTERPRETATION OF WHAT CONSTITUTES UNHAMPERED OPERATIONS; (B) POSSIBILITY OF INCREASING ENCROACHMENT ON MILITARY OPERATIONS AS TIME GOES BY AND THE COMMERCIAL/ INDUSTRIAL ACTIVITY EXPANDS; (C) POTENTIAL LOSS OF UTILIZATION OF JOHN HAY DUE TO DEVELOPMENT OF TOURIST INDUSTRY ON BASE LANDS; (D) PROBLEMS RESULTING FROM THE INCOMPATIBILITY OF COMMERCIAL AND MILITARY FLIGHT OPERATIONS IF THE RUNWAY AT CLARK WERE TO BE UTILIZED FOR COMMERCIAL ACTIVITY; AND

(E) EFFECTIVE LOSS OF TRAINING AREAS RESULTING FROM THE INEVITABLE RESTRICTIONS WHICH WOULD EVOLVE FROM COMMERCIAL DEVELOPMENT IN THOSE AREAS. IT WOULD BE HELPFUL TO POINT OUT TO MARCOS THAT IN THE COURSE OF THE NEGOTIATIONS WE HAVE UNDERSTOOD THAT THE MILITARY BASE LANDS WOULD REMAIN PHILIPPINE RESERVATIONS AND WOULD BE PRESERVED AS PHILIPPINE MILITARY BASES. THE LANDS OUTSIDE U.S. FACILITIES WOULD CONTINUE TO BE AVAILABLE FOR U.S. USE IN SUPPORT OF OPERATIONAL OBJECTIVES (E.G., TROOP TRAINING IN THE JADJAD WATERSHED, USE OF ZAMBALES TRAINING AREA, ETC.).

3. (C) ON THE POSITIVE SIDE, THE INQUIRY PROVIDES OPPORTUNITIES TO: (A) UNDERSCORE THE U.S. POSITION THAT USES OF U.S. FACILITIES ARE DETERMINED BY U.S. AUTHORITIES AND  
SECRET

SECRET

PAGE 03 STATE 187767

THAT EACH COMMANDER SHOULD EXERCISE COMMAND OVER HIS ASSIGNED AREAS; (B) ACKNOWLEDGE PHIL SOVEREIGNTY; (C) EMPHASIZE THE MONDALE/MARCOS JOINT STATEMENT ON UNHAMPERED U.S. OPERATIONS; AND (D) EXPLOIT THE RETURN OF BASE LANDS TO PHILS BY RELATING THEIR POTENTIAL ECONOMIC DEVELOPMENT TO INCREASED USG ECONOMIC ASSISTANCE TO ANGELES/OLONGAPO PROGRAM (A-OP) AREA.

4. (S) YOU MAY DRAW ON THE FOLLOWING IN REPLYING TO MARCOS' QUESTIONS RAISED REFTEL. QUOTE.

(A) THE UNITED STATES ACKNOWLEDGES THE FULL SOVEREIGNTY OF THE PHILIPPINE GOVERNMENT OVER ALL ITS LANDS, AND RECOGNIZES THAT THE PHILIPPINE GOVERNMENT, THROUGH ITS BASE COMMANDERS, SHOULD HAVE COMMAND OVER PHILIPPINE BASES. THE USG IS ALSO MINDFUL THAT THE U.S. AND GOP HAVE RECENTLY AGREED, DURING VICE PRESIDENT MONDALE'S VISIT, THAT U.S. MILITARY OPERATIONS WILL REMAIN UNHAMPERED. ADDITIONALLY, A BASIC PREMISE OF DELIMITING THE FACILITIES HAS BEEN THAT THE EXISTING BASE LANDS WILL REMAIN PART OF THE PHILIPPINE MILITARY BASES AND THAT BASE LANDS OUTSIDE U.S. FACILITIES WILL CONTINUE TO BE AVAILABLE FOR USE IN SUPPORT OF OPERA-

TIONAL OBJECTIVES. (E.G., ZAMBALES TRAINING AREA AND JAD-JAD WATERSHED).

(B) THE CONCEPT THAT LANDS OUTSIDE THE U.S. FACILITIES WOULD REMAIN WITHIN PHIL BASES AND BE AVAILABLE FOR U.S. USE WOULD NOT NECESSARILY PRECLUDE PHIL ECONOMIC AND AGRICULTURAL DEVELOPMENT OF THOSE PHIL BASE AREAS NOT REQUIRED FOR, OR IN SUPPORT OF, MILITARY OPERATIONS, BUT IT WOULD BE NECESSARY FOR U.S. AND GOP REPRESENTATIVES TO CONSULT AND AGREE ON SUCH PROJECTS TO ENSURE THAT THEY DO NOT INTERFERE WITH CURRENT OR PLANNED U.S. OR AFP MILITARY OPERATIONS.

(C) OUR TWO GOVERNMENTS HAVE DISCUSSED THE DESIRABILITY OF IMPROVING ECONOMIC CONDITIONS IN THE ANGELES AND OLONGAPO  
SECRET

SECRET

PAGE 04 STATE 187767

AREAS. THE USG HAS ALREADY BEGUN TO PREPARE ITS PROPOSALS TO ACCOMPLISH THIS. U.S. EFFORTS SHOULD RELATE TO ANY PHILIPPINE GOVERNMENT PLANS FOR UTILIZATION OF RETURNED LAND AREAS. FOR THE PRESENT IT WOULD NOT SEEM DESIRABLE TO COMPLICATE THE MILITARY-TO-MILITARY DISCUSSIONS BY INTRODUCING DISCUSSIONS ON ECONOMIC PROJECTS. HOWEVER, NOTHING WE HAVE SUGGESTED SO FAR OR INTEND TO BRING UP IN THE MILITARY TALKS WOULD PRECLUDE EXAMINATION OF PROJECTS AT A LATER DATE. INDEED, WE SEE MUCH TO BE GAINED BY OUR EXAMINING TOGETHER U.S. PROPOSALS FOR IMPROVING ECONOMIC CONDITIONS IN ANGELES/OLONGAPO AS WELL AS PHILIPPINE GOVERNMENT PLANS FOR COMMERCIAL/INDUSTRIAL USE OF RETURNED LAND AREAS. THIS EXAMINATION COULD BE VERY BENEFICIAL IN ACHIEVING CONCRETE RESULTS WHILE HELPING TO IDENTIFY AND ELIMINATE, IN THE PLANNING STAGES, ANY POTENTIAL PROBLEMS SUCH PROJECTS MIGHT CREATE FOR U.S. MILITARY OPERATIONS.

(D) IN VIEW OF THE MUTUAL IMPACT DECISIONS ON THE USE OF BASE LANDS OUTSIDE THE U.S. FACILITY WILL HAVE, IT WILL BE NECESSARY FOR U.S. AND GOP REPRESENTATIVES TO CONSULT AND AGREE ON EACH PROPOSED COMMERCIAL/INDUSTRIAL PROJECT TO ENSURE THAT PRESENT OR PROJECTED MILITARY OPERATIONS AT THE BASE ARE NOT HAMPERED.

(E) PRESIDENT MARCOS HAS EXPRESSED PARTICULAR INTEREST IN TWO SPECIFIC AREAS. (1) THE FIRST WAS THE RUNWAY AT CLARK. THE RUNWAY, AS AN INTEGRAL PART OF THE U.S. FACILITY, MUST BE UNDER THE CONTROL OF THE U.S. COMMANDER. WE HAVE COOPERATED IN THE PAST AND WILL CONTINUE TO COOPERATE WITH THE PAF IN MEETING ITS NEEDS. FOR EXAMPLE, THE MILITARY PANELS HAVE DISCUSSED AND AGREED, AD REFERENDUM, TO PAF REQUIREMENTS FOR LAND AND UNIT LOCATIONS AT CLARK. WE MUST STATE FRANKLY, HOWEVER, THAT U.S. MILITARY OPERATIONS AT  
SECRET

SECRET

PAGE 05 STATE 187767

CLARK ARE NOT COMPATIBLE WITH COMMERCIAL/INDUSTRIAL USE OF THE AIRFIELD OR RUNWAY, AND THAT AIR TRAFFIC DENSITY AND SCARCE RAMP SPACE LEAVE NO ROOM FOR ACCOMMODATION OF COMMERCIAL TRAFFIC. THE SITUATION IN BELGIUM IS FAR DIFFERENT FROM THAT AT CLARK, BOTH IN U.S. MILITARY PRESENCE AND IN MISSION. THE U.S. DOES NOT MAINTAIN BASES OR AIRCRAFT IN BELGIUM. INSTEAD, LIMITED NUMBERS OF U.S. AIRCRAFT INFREQUENTLY USE THE RUNWAYS ON A TEMPORARY BASIS AS AGREED UNDER BELGIUM'S COMMITMENT TO NATO. THE LIMITED NUMBER OF U.S. AIRCRAFT AND THE DIFFERENT MISSION RESULT IN AN ACCEPTABLY COMPATIBLE OPERATION.

(2) THE SECOND WAS THE ZAMBALES TRAINING AREA ACROSS SUBIC

BAY, WHICH IS IMPORTANT FOR THE TRAINING OF BOTH PHILIPPINE AND U.S. FORCES AND WHOSE DISPOSITION IS ONE OF THE SPECIFIC TOPICS TO BE DISCUSSED IN THE MILITARY-TO-MILITARY TALKS. WE EXPECT THAT THE ESSENTIALITY OF THE TRAINING AND OPERATIONAL REQUIREMENTS WOULD MAKE THE TRAINING AREA UNSUITABLE FOR INDUSTRIAL DEVELOPMENT. END QUOTE.

5. (S) FYI: THE CURRENT CONCEPT THAT ALL REVERTED LANDS BECOME PHIL BASES IS OF COURSE A CONSIDERABLE ADVANCE OVER 1976 DISCUSSIONS, WHEN THE LANDS WOULD HAVE REVERTED WITHOUT SUCH RESTRICTION. WE BELIEVE THE CONCEPT MUST BE PRESERVED. WE ARE CONCERNED, THEREFORE, AT INDICATIONS OF SOME SLIPPAGE FROM THIS POSITION BY PHIL PANEL DURING JULY 17 MEETING A HOPE THAT THIS RESPONSE TO MARCOS WILL HELP SOLIDIFY THE PHIL UNDERSTANDING OF THIS CONCEPT.

6. (S) FYI: YOU ARE CORRECT IN AVOIDING BECOMING INVOLVED IN THE DETAILS OF THE QUOTE MELCHOR PLAN END QUOTE WHICH IS NOT CLEAR IN CONCEPT AND NOT ACCEPTABLE IN WASHINGTON. IF MARCOS RAISES THE QUOTE MELCHOR PLAN END QUOTE FOR CONVERTING OPERATING AREAS OF THE U.S. FACILITIES OVER TO CIVILIAN CONTRACTOR OPERATION, YOU SHOULD ADVISE HIM THAT  
SECRET

SECRET

PAGE 06 STATE 187767

MELCHOR WAS INFORMED IN WASHINGTON BY USG OFFICIALS AT BOTH STATE AND DOD AS WELL AS BY KEY CONGRESSMEN (E.G., INOUE) THAT THERE IS NO POSSIBILITY AT THE PRESENT TIME FOR SUCH A CONVERSION. VANCE

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## Message Attributes

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